



BUDGET PANEL

Tuesday, 12th June, 2012

7.00 pm

Town Hall, Watford

Publication date: 12 June 2012

CONTACT

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COMMITTEE MEMBERSHIP

Councillor J Dhindsa (Chair)

Councillor S Rackett (Vice-Chair)

Councillors J Aron, G Derbyshire, S Greenslade, P Jeffree, A Khan, R Martins and P Taylor

AGENDA

PART A - OPEN TO THE PUBLIC

4. BUSINESS RATES RETENTION (Pages 1 - 14)

Report and presentation on the proposed changes to Business Rates

Additional documents –

- Watford potential for Business Rate Growth to 2016/17
- New Homes Bonus Projection to 2016/17

5. LOCALISATION OF SUPPORT FOR COUNCIL TAX (Pages 15 - 20)

This report provides an update on the progress in devising a local scheme to provide support to Council Tax payers.

Additional document –

- Local Council Tax Benefits Scheme consultation

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BUDGET PANEL: 12th JUNE 2012

AGENDA ITEM 4

**Business Rates Retention
(Para 1.6 refers)**

Watford's potential for Business Rate Growth to 2016/17

As at May 2012

Andrew Gibson – Economic Development & Infrastructure Planner

Background

Due to its strategic transport links and extensive labour pool, demand in the office market in Watford is varied, attracting companies from a wide range of sectors including; Financial and Professional Services, Public Administration and other back offices functions, Retail and Leisure. Watford is also home to many regional, national and global Headquarter functions including Weatherspoons, Vinci Plc, The Hilton Group, TKMax and Mothercare.

Evidence suggests that the Watford office market is experiencing a downturn at present and there is limited new demand for office development in the town. The effect of this limited demand is evident in the limited number of office, or even office dominant mixed use schemes, in the planning pipeline.

Local agents consider that the lower levels of office demand in Watford are not the product of businesses relocating to elsewhere, but are thought to be the result of waning demand for offices and a relative over-supply of offices in the local market following the higher demands of the dot com boom (pre-2001). Evidence suggests that demand for office units has been in decline for more than 7 years and this has only been exacerbated by the recession. In terms of context, between 2001 and 2009, Watford lost approximately 14,000 jobs.

The high levels of vacancy within Clarendon Road are noticeable and it is clear that there are significant variances in the quality of the stock available. While some of the more recent empty units are high quality stock, other, normally slightly older, are very poor and are unlikely to ever be occupied again. Many of these older units do not have sufficient ground to ceiling heights, lack air conditioning and are simply not suitable for modern business needs in terms of layout.

Location of Prime Office Space in Watford

The major focus of office stock in Watford is within Clarendon Road which includes Grade A stock and contain high profile occupiers such as TKMax and KPMG. Despite the difficulties with Clarendon Road as outlined above, it is still regarded as the prime office location in the Borough. There is increasing evidence, however, that out of town office demand is providing strong competition to the town centre offer. Developments at Croxley Green and Leavesden Park, which fall outside the borough, are now also providing a high quality offer and are achieving similar rental levels to that of Clarendon Road.

Potential Future Changes

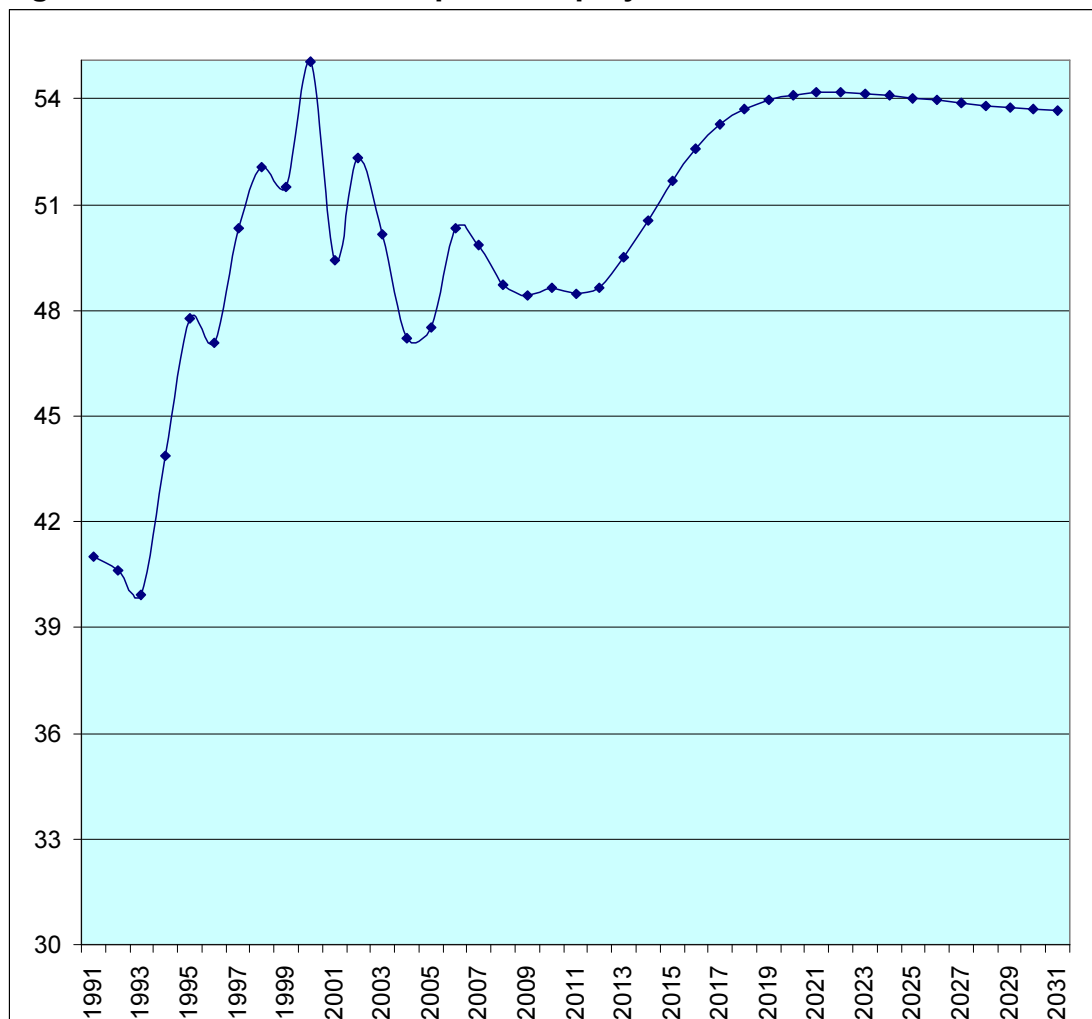
a.) The East of England Forecasting Model (EEFM)

The East of England Forecasting Model is considered the most robust econometric model on the local economy and has been used extensively to inform the Local Development Framework. The model was formerly operated by the East of England Development Agency (EEDA) and is consistent across the regions and indeed nationally. The model projects a wide range of parameters, however for the purposes of this work, we are looking specifically to projections on Total workplace employment.

NB:/ Total employment fails to take account use class i.e. office or industrial, or the potential future changes in proportion of home working etc.

NB:/ It is also important to note that the EEFM does not take into account any of the forthcoming major projects such as Croyley Rail Link and Watford Health Campus.

Figure 1 – EEFM, Total Workplace Employment to 2031



The above graph shows that Watford employment heyday was between 1999 and 2001. While the model suggests that employment growth will stabilise and grow steadily from 2011/2012/2013 onwards, this is somewhat simplistic. However, the overall conclusion was that even by 2031, Watford would still not exceed the level of employment provided by the town in 2001.

b.) Watford Employment Land Review 2010

The LDF evidence base suggests potential for job growth ranging from 4,000 to over 10,000 additional jobs between 2006 and 2031. These would generally be located within Special Policy Areas and existing employment areas. Job potential at each of the SPA's is as follows-

<u>Location</u>	<u>Jobs potential</u>	<u>Delivery</u>
<u>Wider town centre (SPA1) - Clarendon Road offices</u>	<u>1,100-2,000</u>	<u>2012 onwards</u>
<u>Town Centre (SPA1) -Comparison Retail</u>	<u>2,100</u>	<u>Some by 2015</u>
<u>Watford Junction (SPA2) – mixed uses</u>	<u>1,350-2,350</u>	<u>By 2025</u>
<u>Health Campus (SPA 3) – mixed uses</u>	<u>1000 -1,900</u>	<u>2014 onwards</u>
<u>Western Gateway (SPA6) - Watford Business Park – employment uses</u>	<u>700-2000</u>	<u>2016 onwards</u>
<u>Other existing employment areas</u>	<u>500</u>	<u>2012 onwards</u>
<u>Town Centre and identified SPAs – convenience retail</u>	<u>250</u>	<u>Some by 2015</u>
<u>Total</u>	<u>7,000 – 11,100</u>	

c.) Watford Retail Capacity Assessment, 2010

Watford's retail capacity assessment suggests the scale and timing of increased retail provision within the Borough. And the results are outlined below-

	2015 (sqm net)	2020 (sqm net)	2025 (sqm net)	2031 (sqm net)
Comparison Goods	1,645	18,035	35,808	39,564
Convenience Goods	2,835	3,468	4,354	4,502

d.) Watford's Major Projects

Watford has a number of major projects currently in the pipeline which will directly seek to provide additional employment floorspace. These are:

Watford Health Campus

Providing c25,000sqm of employment space as well as c15,000sqm of hotel, leisure and supporting retail uses, delivered in phases from 2014 onwards.

Charter Place

Delivering 10,000 additional sqm of retail space, commencing 2013

Ascot Road

While currently still in the planning phase, we would expect initial development to comprise 6,000sqm Net of convenience retail space to come online as early as late 2013. Other uses, including commercial, hotel and leisure facilities are unlikely to be developed until CRL infrastructure is in place i.e. c2016. The scale and nature of the future elements is still unknown.

Watford Business Park

Watford Business Park is considered to have potential to cater for an additional 20,000sqm of employment space. Given the range of other developments happening in the town, it is unlikely this would be realised until c2020 and beyond.

Watford Junction

While still in the negotiation stage, it is highly likely the scheme would deliver significant employment space provision in the region of c25,000-30,000sqm, including other leisure and supporting retail uses. It is unlikely, however, that this project will be commenced prior to 2016/17.

Other employment Areas

The remainder of Watford's primary employment areas were considered to have the potential to deliver an additional c20,000sqm of additional employment space provision. This is largely predicated on private sector investment in their own estate. While some of this may occur naturally through renewal, given the difficulties in the wider economic climate, it is highly unlikely much of this increased potential will be realised within the next 5 years.

Croxley Rail Link

While not delivering any commercial space in itself, Croxley Rail Link is likely to improve strategic connections to key external attractors, such as central London, and make a positive contribution to the overall attractiveness of Watford as a business location. While it may help attract tenants to some currently vacant buildings, given the wider issue outlined previously in the paper that much of Watford's vacant stock is unlikely to ever be brought into commercial use again unless redeveloped, it is difficult speculate on its impact on the commercial market.

Other Issues

In the past number of months, increasing numbers of business have expressed concerns about the level of their existing NNDR. This has been a particular issue for town centre businesses and retailers.

Retailers of primary locations have stated that NNDR is now constituting a payment equivalent to 75% of their annual rent which is considered excessive.

While further investigation is required, initial assessments have concluded that this is primarily to do with the fact that rental values have fallen considerably over the past 3 years. Prior to the recession, Watford had reported the 3rd highest retail rents in the country, comparable to Covent Garden, the new Westfield Centres and Brent Cross. These have fallen considerably in recent years due to wider market conditions and the impact of increased local competition on footfall. It is therefore considered that the current NNDR values for particular areas of the town centre are based on rental values that are no longer achieved and therefore are an excessive strain on many retailers, particularly independents.

It is important the implications of such high current rates and any potential for re-evaluation prior to the new BRR system commencing are understood.

Conclusions

While Watford's somewhat steady decline in employment numbers from the 2000's has eased, future projections on employment space take-up is difficult as it relies as much on macro economic issues as it does on micro-economic issues i.e. national, rather than local.

Planned provision of employment space does also not guarantee its take-up/use. For this reason, most developers are reluctant to commit to speculative office development without secured tenants or 'pre-lets' before commencement.

Watford is, however, still very attractive as a business location, subject to the availability of suitable property solutions. Private sector companies continue to strive to find efficiency savings, particularly those with high property costs in central London. Through the Council's work with Watford & West Herts Chamber of Commerce on Inward Investment, the past 6 months have seen a number of major companies express interest in Watford as a potential area for relocation. On more than one occasion, however, this has not materialised due to the lack of suitable property solutions.

While Watford has a range of major infrastructure and regeneration projects currently in the pipeline, analysis has shown that future job growth is largely contained within these specific sites, with some additional potential delivered by a small number of other existing employment areas. It is also concluded that for reasons outlined previously, these existing areas are unlikely to

realise their full potential until greater confidence returns to the property market and economic climate as a whole.

With regard to the issue of currently vacant, more aged units, this is a major issue for Watford going forward. It will be difficult to encourage any major redevelopment by private sector partners until both the property market improves and the remaining more modern 'slack' is brought into use.

It is recognised that in order to successfully deliver the wide range of major projects and occupy their proposed commercial floorspace, it is important the strategic advantages of Watford are communicated to potential occupiers beyond Watford, including regionally, nationally and internationally.

It is concluded that Watford's economic decline has levelled off, with potential for some speedy delivery of additional floorspace as part of its forthcoming regeneration projects. It will be important that this new space brings new tenants to Watford and does not just result in simply relocating existing businesses to elsewhere in Watford.

If the currently vacant units were all brought into use, Watford would see significant uplift in both job numbers and NNDR, given that many are orientated towards B1 uses following dot com. Unfortunately, however, this is unlikely to happen.

It is the Officer's view that Watford's business base is likely to show some growth over the next 5-7 years, however this will largely be contained within the major regeneration sites. Watford does, however, continue to hold potential for significant job growth, particularly in B1 office development, subject to improvements in the wider property market.

It is therefore likely that NNDR receipts will show some growth until 2016/17 (more likely from 2015 onwards), however it is unlikely they would recede unless a major occupier were to enter administration or relocate elsewhere.

Andrew Gibson
8th June 2012.

BUDGET PANEL: 12th JUNE 2012
BUSINESS RATES RETENTION
NEW HOMES BONUS

AGENDA ITEM 4

The attached paper cross references to Paragraph 1.5 of the report on the main agenda.

For the purposes of medium term planning the ‘‘Worst Case’’ at Table 9 is the option most likely to be utilised at this point in time.

It is the intention to revise the Council’s Medium Term Financial Strategy during August 2012 (this is approximately two month’s later than the normal timescale and is a reflection of the very great uncertainties attaching to Central Government funding of local authorities for next year and future years).

In reality, most councils will effectively be only able to budget with any certainty for one year ahead and that will not be known until the Revenue Support Grant/ Business Rates funding for 2013/2014 is announced in December 2012.

It is important that Budget Panel does not make assumptions about funding and the New Homes Bonus until full information is reported in September within the Medium Term Financial Strategy.

Bernard Clarke
Head of Strategic Finance

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New Homes Bonus Projection to 2016/17

As at June 2012

Debby Weller

New Homes bonus for the first two years in Watford was £419,613 in 2011/12 and £1,516,361 in 2012/13. The large increase in 2012/13 is not expected to be repeated.

This analysis has considered information available to the council to make the best prediction we are currently able regarding the likely New Homes Bonus that the Council will receive between 2013/14 to 2016/17. (A summary of the way in which New Homes Bonus is calculated is attached at Appendix A)

The calculations contain the following assumptions:

1. The number of empty properties within different council tax bands in Watford will remain at current levels throughout the period of the projection.
2. The New Homes Bonus for each new property delivered in Watford will average £1,000 per annum (not including the £350 premium for any affordable homes). This is an approximation which is equal to a council tax (at national level) of £1,250 (£1,000 + £250, 80% Watford, 20% County) which is a little below Band C and is a fair estimate of the average bonus likely to be received in Watford based on past experience.
3. Annual completions have been assumed to be equally split between April to September and October to March, and for the CTB return to include completions for the first half of the year, but not the second.
4. For the purpose of the calculation, all completions are assumed immediately occupied.

Housing Completions

The Annual Monitoring Report is the starting point for information on completions. This includes a projection of completions which is maintained by planning and updated periodically as new and revised information is received. For this analysis the data has then been amended following liaison with various council officers with specific knowledge of likely completions that differ from the projection, but have not yet been included in an annual updating exercise. The number of completions that are affordable have been collated in the same way, starting with planning and then factoring in knowledge from other council sources. The amendments made are detailed at Appendix B and the results of the exercise are shown in table 1. These figures have been used to calculate the likely New Homes Bonus.

Table 1	All completions	Affordable completions
2010 11	633	260
2011 12	417	95
2012 13	408	146
2013 14	427	88
2014 15	379	62
2015 16	110	30
2016 17	67	30

The timing of the payment is different for the main element and the affordable element (see Appendix A). Table 2 shows for each year how the bonus is made up from completions during a one year period for the main payment (source dates - main payment) and a different one year period for the affordable payment (source dates - affordable payment). The table also shows the relevant number of completions multiplied by the payments per completion.

NHB Payment Year	Main payment			Affordable payment		
	Source dates	Completions	£1,000 each	Source dates (1st April to 31st March)	Completions	£350 each
2013 14	Oct 11 - Oct 12	412.5	£412,500	2011 12	95	£33,250
2014 15	Oct 12 - Oct 13	417.5	£417,500	2012 13	120	£42,000
2015 16	Oct 13 - Oct 14	403	£403,000	2013 14	88	£30,800
2016 17	Oct 14 - Oct 15	244.5	£244,500	2014 15	62	£21,700

When the main element and the affordable element are added together they give the payments in table 3 – each of which is repeated for 6 years.

2013 14	£445,750
2014 15	£459,500
2015 16	£433,800
2016 17	£266,200

Table 4 shows how the payments total to give the projected New Homes Bonus up to 2016/17.

2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
£419,613	£419,613	£419,613	£419,613	£419,613	£419,613
	£1,096,748	£1,096,748	£1,096,748	£1,096,748	£1,096,748
		£445,750	£445,750	£445,750	£445,750
			£459,500	£459,500	£459,500
				£433,800	£433,800
					£266,200
£419,613	£1,516,361	£1,962,111	£2,421,611	£2,855,411	£3,121,611

Sensitivity Analysis

Depending on various factors including the general economic situation and the health of the housing market, completions may not come forward as expected in this best case scenario. A further scenario has been completed in table 5 to test the impact of a 25% less completions each year.

Table 5 (Worst Case)					
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
£419,613	£419,613	£419,613	£419,613	£419,613	£419,613
	£1,096,748	£1,096,748	£1,096,748	£1,096,748	£1,096,748
		£394,750	£394,750	£394,750	£394,750
			£355,125	£355,125	£355,125
				£325,350	£325,350
					£199,650
£419,613	£1,516,361	£1,911,111	£2,266,236	£2,591,586	£2,791,236

Conclusion

Table 6 shows the expected worst case and best case scenarios for New Homes Bonus payments in Watford 2013/14 to 2016/17

Table 6	Worst case	Best Case
2013/14	£1,911,111	£1,962,111
2014/15	£2,266,236	£2,421,611
2015/16	£2,591,586	£2,855,411
2016/17	£2,791,236	£3,121,611

Potential future changes

The Local Government Finance Bill contains provisions regarding current council tax exemptions. The proposed changes currently being consulted on may well impact on New Homes Bonus. The number of exemptions involved (class A, C and L) stand at 371 as at June 2012. Further information is required before we can make a more robust analysis of the impact, but ***the best and worst case scenarios have been recalculated below on the assumption that a) 371 less dwellings qualify for new homes bonus and b) the average impact per dwelling is £1,000 (this is consistent with other aspects of the projection.***

Table 7 (Amended Best Case)					
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
£419,613	£419,613	£419,613	£419,613	£419,613	£419,613
	£1,096,748	£1,096,748	£1,096,748	£1,096,748	£1,096,748
		£74,750	£74,750	£74,750	£74,750
			£459,500	£459,500	£459,500
				£433,800	£433,800
					£266,200
£419,613	£1,516,361	£1,591,111	£2,050,611	£2,484,411	£2,750,611

Table 8 (Amended Worst Case)					
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
£419,613	£419,613	£419,613	£419,613	£419,613	£419,613
	£1,096,748	£1,096,748	£1,096,748	£1,096,748	£1,096,748
		£23,750	£23,750	£23,750	£23,750
			£355,125	£355,125	£355,125
				£325,350	£325,350
					£199,650
£419,613	£1,516,361	£1,540,111	£1,895,236	£2,220,586	£2,420,236

Table 9	Worst case	Best Case
2013/14	£1,540,111	£1,591,111
2014/15	£1,895,236	£2,050,611
2015/16	£2,220,586	£2,484,411
2016/17	£2,420,236	£2,750,611

Appendix A

New Homes Bonus is based on average council tax for the relevant council tax banding across the country for 6 years. Payments for 2010/11 and 2011/12 were both based on an average of £1439.33 for Band D as council tax was frozen.

For 2012/13 the average council tax for Band D is £1,444. The breakdown of the amount payable by band is shown in the table below. 80% of the payment comes to lower tier authorities and the remaining 20% goes to the upper tier.

		Ctax rate 2012/13	X 80%
Band A	6/9	£963	£770
Band B	7/9	£1,123	£898
Band C	8/9	£1,284	£1,027
Band D	9/9	£1,444	£1,155
Band E	11/9	£1,765	£1,412
Band F	13/9	£2,086	£1,669
Band G	15/9	£2,407	£1,925
Band H	18/9	£2,888	£2,310

Figures are taken from the council tax base return in October to calculate the main bonus for which payments are made in monthly instalments throughout the following year.

There is a premium for affordable homes of £350 per property for 6 years, but a different source is used (CLG table 1011) and the timing is out of sync with the main payment. The CLG table reports completions April to March. Completions 2012/13 will generate an affordable homes enhancement for new homes bonus in 2014/15. The diagram below indicates when payments are made in relation to when the homes are built.

	Apr 2011/12	Apr 2012/13	Apr 2013/14
Main data source (Ctax base return)	Oct 10 to Oct 11	Oct 11 to Oct 12	Oct 12 to Oct 13
Main NHB payment			
Aff homes data source (CLG table 1011)		Apr 11 to Apr 12	Apr 12 to Apr 13
Aff homes supplement payment			

Appendix B

	Net annual completions Planning Monitoring table		Comments	Affordable housing	Affordable housing comments
2010 11	633	633		260	
2011 12	328	417	2011 12 likely to come in above this figure - up to 417 - but additional dwellings need to be deducted from following year (+89)	95	Housing figures - possible some extra via developers that we are not aware of. This is 26 more than Planning monitoring previous projection
2012 13	497	408	(-89) see above comment	120	Planning monitoring figures previously 146 reduced by 26 (see above)
2013 14	427	427		88	Planning monitoring figures
2014 15	379	379		62	Planning monitoring figures
2015 16	70	110	Karen's figures previously didn't have Health Campus factored in until 2017/18 then based on 504 dwellings 100 a year. Following conversation with Tom, will include total of 620 (217 affordable) start 2015 16 - 40 a year of which 30 affordable (+40)	30	Revised Health Campus
2016 17	27	67	(+40)	30	Revised Health Campus

Local council tax benefits scheme consultation

1. Background

As part of Spending Review 2010 the government announced that it would localise support for council tax from 2013-14, reducing expenditure by 10 per cent (subsequently increased to 11.48%). The Local Government Finance Bill was introduced to Parliament in December 2011. The Bill imposes a duty on billing authorities to make a localised council tax reductions scheme by 31 January 2013 and **to consult with major precepting authorities and such other persons as it considers likely to have an interest in the scheme about the scheme.**

2. Current guidance on consultation

In May 2012, the government published '**Localising Support for Council Tax: A Statement of Intent**'. This document sets out policy statements of intent for the regulations to be provided under the Bill and, as well as informing debate when the Bill is discussed in Parliament, the policy statements are intended to help billing authorities in the preparation of local schemes, ahead of publication of regulation.

Consultation is covered in Chapter 2 under *Requirements for preparing a scheme* paragraphs 2.7 – 2.24.

Key guidance to local authorities includes:

1. *The billing authority must in the following order:*
 - i. **Consult any major precepting authority which has a power to issue a precept to it**
 - ii. *Publish a draft scheme in such manner as it thinks fit*
 - iii. **Consult such other persons as it considers are likely to have an interest in the operation of the scheme**
2. *When consulting on reduction schemes billing authorities should ensure **all** interested parties are able to give their view and influence the design of the reduction scheme (2.9)*
3. *The consultation feedback should help identify where there may be any **adverse** impacts on any particular group (2.10)*
4. *The public consultation should be carried out as early as possible to ensure feedback can influence the scheme and allow sufficient time for the feedback to be gathered, impacts to be understood and a scheme to be shaped (2.12)*
5. *... a realistic time frame must be put in place to ensure feedback can be sought from all appropriate individuals and groups in the community. The length of any consultation should also reflect the changes proposed (2.14)*
6. *... billing authorities may wish to consider the appropriate length of their consultation depending on the impact of their proposal and the ability to complete the consultation exercise within budgetary timetables (2.15)*
7. *where timing is restricted ... any documentation should be clear for the reasons for the shorter timetable (2.16)*

Government guidance recommends a 12 week consultation period

8. *The content of any consultation will depend on the complexity of the reduction scheme that is proposed to be introduced. (2.19)*

9. *... if the default scheme is imposed ... there is not a duty to consult (2.24)*

This guidance, therefore, provides a framework within which to develop Watford BC's approach to consultation as part of its programme to develop a local council tax benefits scheme. It highlights the two key areas for consideration: timing and extent

3. Current discussions on approach to developing scheme

1. Countywide approach

There are currently countywide discussions underway to explore the possibility of developing, and agreeing, a scheme that could be adopted across all ten districts in Hertfordshire. If this is agreed, Watford's consultation proposals and programme will need to coordinate with what is agreed at the county level. In particular, consultation with the precepting authority will only need to be done once and can be administration of this can be shared across the districts. However, Watford BC will need to demonstrate that it has consulted with local interests even if the scheme is developed on a countywide basis.

Agreement of a Hertfordshire wide scheme will be known by the end of June/ early July 2012.

2. Watford BC approach

If countywide agreement cannot be reached then each district will be responsible for developing its own scheme and Watford will be fully responsible for the delivery of its consultation programme.

- In order to be fully prepared, at this stage the draft proposed timetable has been designed on the basis of Watford developing an individual scheme.

4. Draft proposed timetable

See Appendix A. This has been developed based on some key dates:

5 November 2012	Agreement of final scheme by Watford BC Cabinet
23 October 2012	Recommendation of final scheme by Budget Panel including feedback from consultation and Equality Impact Analysis
8 -12 October 2012	Consultation analysis
5 October 2012	Consultation closes
11 September 2012	Interim consultation results to Budget Panel and draft Equality Impact Analysis – see 6 below
6 August 2012	Consultation on proposed scheme starts
End of June – 6 August 2012	Design of consultation – including survey, focus groups

5. Consultees

Proposed consultees and suggested method of consultation are:

Consultee	Methodology
Hertfordshire County Council	- Interview - Survey
Hertfordshire Police	- Interview - Survey
Watford Community Housing Trust	- Interview - Survey
Other social landlords	- Survey
Citizens Advice Bureau	- Interview - Survey
Current recipients of council tax benefit	- Survey
Vulnerable groups	- Focus groups

6. Equality Impact Analysis

The development of an Equality Impact Analysis (EIA) is closely linked to the consultation programme. It needs to be informed by feedback from consultation. This does not mean work on the EIA should wait until the consultation is completed or even underway. It needs to be started as soon as proposals for a scheme are identified.

Budget Panel will need to consider the EIA as the scheme develops and in light of consultation results.

7. Delivering the consultation

Watford BC has the capacity and skills to deliver the consultation in-house with the exception of data inputting. It is envisaged the latter will be necessary as a survey of current council tax benefit recipients will need to be postal (the council does not hold email addresses). This will incur a small cost.

Although not clear at the moment, it is more likely that a Hertfordshire wide scheme will recommend an external company conduct the necessary consultation as many districts do not conduct consultation in-house. This will be more costly, although less demanding on staff resources.

8. Next steps

1. Update consultation proposals and timetable following feedback from Budget Panel
2. Confirm approach (Hertfordshire v Watford)
3. Confirm proposed scheme for consultation
4. Develop detailed consultation plan + survey
5. Provide update to Budget Panel on 11 September 2012 – including consultation feedback and progress on the EIA

Kathryn Robson
Partnerships and Performance
11 June 2012

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